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(632) 552-9907

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### STRATEGIC OBJECTIVE #12 (SO12)

(Conflict Reduced in Mindanao and Other Areas Vulnerable to Violence)

## Mindanao farmers play catch-up with imported veggies

DAVAO CITY—“Clustering” together to achieve safer and quality produce in larger volumes is the only way the Philippines can gain a solid foothold in local and international markets, according to Peter Batt, associate professor in agribusiness marketing at the Curtin University of Technology in Perth, Western Australia, a featured speaker at the recent 2<sup>nd</sup> Mindanao Vegetable Industry Congress.

Addressing the more than 400 farmers who attended the Congress, Batt stressed: “By acting collectively, many small farmers are able to approach the market as a single business unit, thereby enabling them to improve their bargaining position. Moreover, this approach protects farmers from exploitative marketing practices.” He added that farmers who form a group can save on production and post harvest costs.

This observation is confirmed by Jasmin Agbon, Vegetable Industry Advisor for the USAID-funded Growth with Equity in Mindanao (GEM) program. Agbon, in her presentation on price information for vegetables said that “generally, imported vegetables in supermarkets continually command better prices than Philippine products because of their quality and appearance.” She said the challenge for Mindanao growers is to improve product quality, post harvest handling, packaging and transporting of vegetables. According to the Department of Agriculture, about 40 percent of the country’s vegetable produce goes to waste during post harvest handling.

“Quantity is power, quality is trust,” said Marcelino Remotigue, president of the Northern Mindanao Vegetable Producers Association (NorMin Veggies). By clustering, farmers can share their resources and employ best farming practices. By working as one, farmers can also have better access to markets and improve prospects of obtaining assistance from resource providers in government and the



Fast-willing locally-produced vegetables in markets. The ones in supermarkets and groceries are in better packaging and last longer.

private sector.

In addition to poor infrastructure, other factors that hamper the development of the industry include the high cost of doing business and the lack of entrepreneurial skills among producers, Remotigue explained. But rather than being discouraged, he urged his fellow farmers to strengthen their associations in order to move forward. NorMin Veggies, which co-organized the activity with the Vegetable Industry Council of Southern Mindanao (VicsMin) is one of the more successful groups in Mindanao.

By implementing “cluster” farming, or a system where small growers work side by side with independent growers to fulfill market requirements of institutional buyers and processors, NorMin Veggies has been able to supply institutional markets such as big supermarkets, hotels and fast food chains in Metro Manila and in some parts of Visayas. The key determinants for institutional market purchases are quality, reliability of supply and price

competitiveness, he said.

Joan Uy, resource mobilization officer of the NorMin Veggies, identified cluster growers, market chains, market facilitators and quality management as the four major elements for successful cluster farming.

She explained that the lead grower of the cluster should not only be a good farmer but also have leadership qualities to push the team to achieve its goal. Uy said the implementation of quality management is vital for ensuring quality and safety of the cluster’s produce. Quality, safety and volume are key factors in selling to big buyers. Failing to meet these requirements can translate to financial losses, she emphasized. Quality management tools include budgeting lists, packing lists, recovery summary, labels for traceability and a harvest calendar. The market chain is also a useful tool, Uy added, so that farmers “can project how much they will earn and/or negotiate for a better price with the buyers.” The market facilitator, which

in NorMin Veggies case is the NorMin Corp., is also an important component to maximize market absorption of the produce.

NorMin Veggies has clusters for lettuce, carrot, tomato, broccoli, sweet bell pepper, and white potato.

Southern Mindanao vegetable farmers have a lot to learn from the experience of its counterparts in the north, Roger Gualberto, VicsMin president, admitted. Collaborative farming has yet to be put in place at a larger scale in this part of Mindanao.

“We have to work as one to achieve our goal, that is, to become a major supplier of vegetables in the country, and perhaps even penetrate international markets. By production planning and cluster farming, our vegetables could find their way to foreign markets sooner,” Gualberto said as he urged farmers to actively participate in the council’s programs and activities.

VicsMin has implemented the “Gulayan sa Barangay” project to increase vegetable awareness and appreciation among Davao City households. Each barangay in Davao City is encouraged to put up a garden and landscape using different vegetables and ornamental plants. Training workshops on various topics such as soil nutrient management and analysis, post harvest practices and marketing techniques for selected veggies have been conducted to re-educate farmers on good agriculture practices.

A marketing arm for VicsMin member-growers, the Gulayan sa Timog Mindanao (GTM), Inc. has been operating early this year. Its cold room can hold up to 10 tons of vegetables. With the help of the DA and other private sector groups such as the USAID-funded GEM Program, the University of the Philippines in Mindanao, Vicsmin members from South Cotabato, Maragusan, General Santos, Davao del Sur, Davao Oriental, and Davao City can now sell their produce and buy inputs at reduced cost at the GTM, Inc.

—Christie Enriquez-Uyayan

**(Source: Malaya, 9/30/05, page B12)**